

Confirmation of details of American tunnel bulkhead work: date, done via permit between state and mining company, whether EPA had any role in that permit decision, who the mining company was, that subsequent to the construction water levels rose into the GKM and seeped from there, -

- In 1993, the Sunnyside Gold Corporation (Sunnyside) received approval from the Colorado Mined Land Reclamation Board to install a hydraulic bulkhead seals in the American Tunnel as part of mine reclamation closure of the Sunnyside Mine. This approval contained a statement that Sunnyside understood that the Colorado Water Quality Control Division would regard any new seeps or change in water quality or quantity from existing seeps following the installation of the bulkheads to be unpermitted point source discharges.
- Sunnyside constructed the first bulkhead in the American Tunnel in 1995 and the valve in that bulkhead was closed in 1996. This bulkhead was installed approximately at the property line of the Sunnyside Mine workings and claims. The American Tunnel below this point was leased by Sunnyside from the Gold King Mines Corporation.
- In 1994, Sunnyside filed suit against the Colorado Water Quality Control Division concerning the issue of whether seeps were point source discharges that needed to be permitted. Sunnyside and the Colorado Water Quality Control Division entered into a Consent Decree Settlement in May of 1996 whereby Sunnyside committed to perform a number of mitigation projects, reclamation or response actions, throughout the Upper Animas River watershed to offset any impact to water quality that may arise from installing bulkheads in the American Tunnel.
- Sunnyside installed and closed the 2nd and 3rd bulkheads in the American tunnel in 2001 and 2002, respectively.
- EPA had no role in the mining permit decisions.

The focus and activities performed under the consent agreement between the state and the mining company (I believe this was GKM company) and any role EPA had under that decree. –

- As noted above Sunnyside entered into a Consent Decree settlement with the Colorado Water Quality Control Division in 1996. Under this settlement Sunnyside agreed to a number of mitigation projects.
- Sunnyside and the WQCD requested that EPA be involved in the settlement discussions and possibly be a party to the settlement. EPA was involved in some of the negotiations with Sunnyside and the State. EPA did not agree to the final terms of the settlement and submitted formal comments on the settlement, see attached 1996 Dodson letter.